Appendix H

service and passenger service from hour to hour or even more frequently. Moreover, the maintenance, fuel, lubricants, water, other supplies and facilities used to service common locomotives, that is, locomotives used alternately in both services, are also common expenses difficult to separate.

It is precisely the difficulty described which has led to the separation of common expenses on the basis of apportionment factors which give some indication of the degree of use each service makes of the common expense "center" and consequently the best estimate of the amount of the expense which applies to each service. The "Rules Governing The Separation Of Operation Expenses, Railway Taxes, Equipment Rents, and Joint Facility Rents Between Freight Service and Passenger Service," issued by the Commission, contain the apportionment factors considered appropriate for separating each railroad expense account. To illustrate, maintenance of common running tracks, including rails, ties, etc., are separated on the basis of each service's proportionate share of the total gross ton-miles operated over the common track. Repairs to common locomotives are separated using the miles run by the locomotives in each service. Some accounts, such as supervision, are separated on the basis of the separation